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EDD Sets Groundwork for Economic Recovery with 2020 Initiatives Across the State

Economic diversity and job expansion continue through pandemic and will spur growth and recovery in new year

SANTA FE, N.M. – From global manufacturing and biosciences, to outdoor recreation and film production, the Economic Development Department (EDD) set the foundation for long-term job growth in 2020, putting New Mexico on the path to sustainable recovery, Cabinet Secretary Alicia J. Keyes said today.

The COVID-19 pandemic and the public health emergency brought unprecedented challenges to small businesses, employees, and the overall economy. But EDD moved quickly in 2020 to assist businesses with direct economic assistance to train or hire new workers, acquire land, and expand infrastructure. The initiatives will boost growth and hiring in the coming year.

"In 2019 we created the most new jobs in New Mexico in more than a decade," Gov. Michelle Lujan Grisham said. "And in 2021 we will beat back the pandemic and regain our momentum toward a thriving and diversified state economy, with opportunity for all. We are going to make certain New Mexico is positioned to keep building -- and building back better than ever before -- in a post-pandemic world."

"The Economic Development Department is moving New Mexico forward with strategic investments in business expansion and job growth that sets the state on the path toward a sustainable recovery in 2021," Cabinet Secretary Keyes said. "Now is not the time to pull back on economic investments. We need to support businesses and industries that offer higher wages, economic diversification, and better opportunities for New Mexico's families."

EDD has also been working diligently to keep the public informed about existing financial assistance programs. They have been publishing a <u>weekly newsletter</u> that lists economic assistance resources for communities and businesses, and have <u>hosted over 30 webinars</u> since the start of the pandemic in March.

JTIP INVESTMENTS

EDD is emphasizing the nationally recognized Job Training Incentive Program as one of its signature programs that is assisting businesses as they create jobs for new workers or advance skills of existing employees. In 2020, JTIP pledged training reimbursements to 75 businesses across New Mexico in support of 2,380 jobs – 29% of that total for rural jobs and 71% for urban. The average wage in 2020 was \$18.61 an hour, over \$38,000 annually.

JTIP grants went to firms in Albuquerque, Church Rock, Clovis, Roswell, Sunland Park, Loving, Los Alamos, Rio Rancho, Santa Fe, Las Cruces, Moriarty, Las Vegas, Corrales, Truth or Consequences, Taos, and Deming.

LEDA INVESTMENTS

In 2020, EDD's LEDA job-creators fund made strategic investments in 18 companies that will create 2,500 jobs over the next several years.

These companies have committed to invest over \$761 million in New Mexico over the next 10 years with \$150 million in new payroll.

In March, with support from Gov. Lujan Grisham, EDD also introduced two programs to help businesses impacted by the health emergency. The COVID loan guarantee program helped 47 businesses secure \$1.7 million in private lending and a no-interest LEDA loan program helped save 167 jobs around the state.

Among the 2020 LEDA recipients are:

<u>Ascent Aviation</u>, which is expanding from Arizona to Roswell, will bring 360 jobs to the Roswell International Air Center.

"The state and county incentives show that New Mexico has a strong desire to bring in new businesses and create good jobs. There can be a lot of pain associated with this type of expansion and everyone from Cabinet Secretary Keyes and Economic Division Director Mark Roper on down, including additional personnel from the State of New Mexico, Chaves County, and the City of Roswell, have all shown a desire to help. That has made this expansion possible," David T. Querio, Ascent Aviation Services President, said.

<u>Big Tuna</u> brings 30 jobs to Las Cruces to manufacture a new kind of pipe for the energy industry that is lighter and stronger. Additional markets include water and utility companies.

"We looked at Colorado, Texas, Arizona, and New Mexico and we're pretty excited about this location in Las Cruces," Mike Watters, director of operations for Big Tuna USA, said. "We're starting a business from the ground up and the incentives really make this feasible." <u>LaSen</u>, a long-time New Mexico business, is expanding in Southern New Mexico and adding 79 high-paying jobs. LaSen has developed LIDAR technology for aerial monitoring of oil and gas lines and is expanding into utility-safety inspections for power and electrical corridors in the United States, Canada, Australia, and other regions.

La Sen President Tim Goolsby said, "We've been talking about getting out of this building for the last two years. LEDA allows us to make that decision a lot sooner and with a little more comfort. We want to make the right decisions that will keep us in New Mexico for a long time."

Another long-time New Mexico company, <u>McKinley Paper</u> in Northwest New Mexico, was awarded special LEDA assistance to upgrade its power infrastructure after the closure of the Escalante Generating Station. The LEDA support helps McKinley maintain its operations and 135 employees, as well as add new workers.

"The main reason McKinley [Paper] was situated here was because of the resources that Escalante Generating Station managed and supplied to the paper mill. Without that, we are at a very high risk to cease operations," Wilfrido Rincon, COO of McKinley Paper, said. "Now, with LEDA, we feel we are in a very good position to maintain operations and even hire additional people. We can invest in additional assets and equipment and guarantee a steady supply of steam, water, and energy, vital to our long-term operation in the state."

Big Tuna Pipe open and operating on west Amador Avenue



The Big Tuna Pipe property at 1846 W. Amador Ave. includes 13 acres. BULLETIN PHOTOS BY MIKE COOK



Cymmetrik



Arizona company plans \$18 million expansion to Roswell



(Submitted Photo) Ascent Aviation Services of Arizona plans to invest up to \$18 million at the Roswell Air Center and hire as many as 360 people by 2025. In the fast-growing area of biosciences, the state is assisting <u>NTx</u>, a vaccine and medicine development business co-founded by a former scientist at Los Alamos National Laboratory. NTx is investing in a new Rio Rancho location and will be hiring 116 highly skilled STEM professionals to develop new protein and mRNA manufacturing methods, the same technology now used in new COVID-19 vaccines.

NTx is working closely with both Los Alamos and Sandia National Laboratories. "Both LANL and Sandia are strong in fundamental bioscience research and being able to add leading-edge manufacturing in close proximity is going to make for strong partnerships in the state," Charles McMillan, a former director at Los Alamos National Laboratory who serves on the NTx board of directors, said.

LEDA assistance is also going to boost investment in Southern New Mexico's Santa Teresa Borderzone. Assistance was announced to two additional Asian manufacturing companies – <u>Xxentria</u> and <u>Cymmetrik</u>. The two join Admiral Cable to form a cluster of Asian companies adding workers in Santa Teresa.

"Santa Teresa/San Jeronimo is the future of the border region. Establishing manufacturing operations in North America will allow us to better service our valued customers in the United States," Howard Chen, Chairman and CEO of Xxentria, said. "The State of New Mexico has a pro-business climate and is aggressively attracting manufacturing companies like ours. Many of our key suppliers will also follow us and we look forward to building a long-term relationship with the State of New Mexico."

To stimulate additional investment from Asia, New Mexico has opened a business liaison office in Taipai, Taiwan with a Taiwanese recruiter who can work with companies looking to locate in North America. For global companies who want to diversify their manufacturing and relocate closer to the U.S. consumer market, New Mexico is an attractive location.

Other companies that will be moving to or expanding operations in Santa Teresa are <u>Prent</u>, a Wisconsin-based manufacturer of medical packaging and <u>W Silver Recycling</u>, which plans to hire 50 workers.

"For over three years we've worked closely with partners in the region to make this a reality. Over and over, we heard that the strength of the region is its collaboration across borders. Today's announcement is a vindication of that model, one integrated region working together towards success," Mark Rothlisberger, Sr. Vice President of Manufacturing for Prent, said.

2020 LEDA investments were also awarded to <u>Big Dog Industries</u>, <u>Natural ReLeaf</u>, <u>High</u> <u>Plains Processing</u>, <u>EAGL Technology</u>, <u>HAPSMobile</u>, <u>SavantX</u>, <u>SCEYE</u>, <u>NM Fresh Foods</u>, and <u>SpinLaunch</u>.

"New Mexico has a widespread and healthy livestock industry," High Plains Processing co-owner Chip Meston said. "There are a lot of people who want to see this business succeed. We will be a value-added business in a community that values agriculture."

"SpinLaunch will grow into thousands of employees as we develop," SpinLaunch founder Jonathan Yaney said. "When you're this young of a company, with this bold of a concept, being able to receive assistance is absolutely essential. This support was instrumental in deciding to come to New Mexico."



Secretary Keyes announces LEDA funding for Lance Forestry relocation to Cimmarron, N.M., Dec. 2019.



COVID-19 emergency funds were awarded to the Mobile Bike Center in Gallup to help with bike repairs on the Navajo Nation

FILM AND TELEVISION PRODUCTION

The growth of the film and television production industry remains an important economic driver for New Mexico as the state looks to diversify its economy.

In January, New Mexico started out the year strong with two of our cities named in MovieMaker Magazine's for "<u>Best Places to</u> <u>Live and Work As A MovieMaker</u>". Albuquerque was ranked #1 for large cities for the second year in a row, beating out places



like Atlanta and LA, and Santa Fe was ranked #3 for small cities and towns.

In March, New Mexico was cast as host of Deadline Hollywood's inaugural <u>HotSpots</u> <u>conference</u>, where they shine a spotlight on locations outside of Hollywood. Deadline, a premier industry trade publication for the film industry, brought industry professionals and decision-makers from across the country to experience all that New Mexico has to offer as a film and television production hub.

In November, <u>Netflix announced</u> it was expanding its footprint at Albuquerque Studios to develop the largest sustainable production studio in North America. The commitment includes an additional \$1 billion in production spend over 10 years, an additional 1,000 production jobs, and construction of to 10 new stages, post-production services, production offices, mills, backlots, training facilities, wardrobe suites, a commissary, and other flex buildings to support their growing number of productions in New Mexico.

Netflix Co-CEO Ted Sarandos said, "New Mexico provides an outstanding production and business environment in close proximity to Los Angeles with some of the best crews and creative talent in the world. The expansion will bring many new high-tech and production jobs to the region. It allows us to be more nimble in executing our production plans while cementing the status of the region as one of the leading production centers in North America."

"News of the World," the Netflix-produced film starring Tom Hanks and filmed in New Mexico, was released on Dec. 25, 2020 and is already bringing new recognition to the state for our commitment to the industry as well as the talented crews and scenic landscapes that make the film a success.

OUTDOOR RECREATION

2020 also marked the first full year of operations for the Outdoor Recreation Division (ORD), signed into law by Gov. Michelle Lujan Grisham in April, 2019.

The new <u>outdoor recreation infrastructure</u> <u>grants</u> are being used to invest in trails and outdoor infrastructure to help communities attract visitors in a responsible way. The grants are helping outdoor program managers and non-profits create or expand programs to inspire young people to both enjoy the outdoors and respect it.

The office also <u>invested in start-ups</u> by



teaching new outdoor entrepreneurs how to start or grow their businesses. This is creating jobs within the outdoor recreation industry that is far outpacing the national average. The Enterprise Center, a state certified business incubator at San Juan College, helped launch four new outdoor recreation businesses with 12 new employees and \$260,000 in wages.

ORD also awarded the first <u>Outdoor Equity Fund grants</u> to 25 applicants. Included in that group are three Native organizations / tribal governments (NACA, Zuni Pueblo, and Karuna Colectiva) that will get 449 Indigenous youth outside within the next year.

Made outside of the normal grant cycle as an emergency COVID-19 response to the urgent needs of the community, a grant was also awarded to the Gallup-based nonprofit, Silver Stallion, for creating a <u>Mobile Ride Center</u> -- a mobile bike shop to travel the Navajo Nation and repair kids' bikes.

Click on the image below to watch a short video about the Mobile Ride Center.



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The New Mexico Economic Development Department's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.

New Mexico Economic Development Department EDD.NewMexico.gov

